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Sixty-fifth session
Item 136 of the preliminary list*
Scale of assessments for the apportionment of the expenses of the United Nations

Multi-year payment plans

Report of the Secretary-General

Summary

In its resolution 57/4 B, the General Assembly endorsed the conclusions and recommendations of the Committee on Contributions concerning multi-year payment plans, and in its resolutions 58/1 B, 59/1 B, 60/237, 61/237 and 64/248 it reaffirmed that endorsement. In that connection, the Committee recommended that the Secretary-General be requested to provide information on the submission of such plans to the Assembly, through the Committee on Contributions. It also recommended that the Secretary-General be requested to submit an annual report to the Assembly, through the Committee on Contributions, on the status of the payment plans of Member States as at 31 December each year. The present report is submitted in compliance with those requests and provides information on payment plans/schedules submitted earlier by Liberia and Sao Tome and Principe and on the status of implementation of those plans as at 31 December 2009.

The General Assembly may wish to take note of the present report and encourage Member States with significant arrears in contributions to consider submitting a multi-year payment plan.

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I. Introduction

1. In its resolution 56/243 A, the General Assembly recognized that multi-year payment plans, subject to careful formulation, could be helpful in allowing Member States to demonstrate their commitment under Article 19 of the Charter of the United Nations to pay their arrears, thereby facilitating the consideration of applications for exemption by the Committee on Contributions, and requested the Secretary-General to propose guidelines for such multi-year payment plans through the Committee on Contributions.

2. After considering the report of the Secretary-General on multi-year payment plans[1] at its sixty-second session in 2002,[2] the Committee on Contributions agreed that Member States should be encouraged to submit such plans, which constitute a useful tool for reducing their unpaid assessed contributions and a way for them to demonstrate their commitment to meeting their financial obligations to the United Nations. The Committee recognized in that regard that due consideration should be given to the economic position of Member States, as not all of them might be in a position to submit such plans, and recommended that multi-year payment plans should remain voluntary and should not be automatically linked to other measures.

3. The Committee also recommended that Member States considering a multi-year payment plan should submit such plans to the Secretary-General for the information of other Member States and be encouraged to consult the Secretariat for advice in their preparation. In that context, it was suggested that the plans of Member States should:

(a) Provide for annual payment of current-year assessments and a part of their arrears;

(b) Where possible, generally provide for the elimination of arrears within a period of up to six years.

4. The Committee further recommended that the Secretary-General should be requested to provide information on the submission of payment plans to the General Assembly, through the Committee, and that the Secretary-General also be requested to submit an annual report to the Assembly, through the Committee, on the status of such plans as at 31 December each year.

5. The Committee also recommended that, for those Member States that were in a position to submit a payment plan, the Committee and the General Assembly should take the submission of a plan and its status of implementation into account as one factor when they considered requests for exemption under Article 19 of the Charter.

6. In paragraph 1 of its resolution 57/4 B, the General Assembly endorsed the above conclusions and recommendations contained in the report of the Committee.[2] In its resolutions 58/1 B, 59/1 B, 60/237, 61/237 and 64/248 the Assembly reaffirmed paragraph 1 of resolution 57/4 B. Accordingly, the Secretary-General has submitted annual reports on multi-year payment plans[3] to the Assembly since its fifty-eighth session, when the first one was considered.

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[1] A/57/65.

[2] See *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 11* (A/57/11), chap. IV.A, paras. 17-23.

[3] A/58/63, A/59/67, A/60/66, A/61/68, A/62/70, A/63/68 and A/64/68.

II. Submission of multi-year payment plans

7. Payment plans or schedules were submitted by Georgia in 2003 (its fourth), Iraq in 2005 (its first), Liberia in 2006 (its second), Moldova in 2001 (its third), the Niger in 2004 (its first), Sao Tome and Principe in 2002 (its first) and Tajikistan in 2000 (its first).

8. As noted in the report of the Committee at its sixty-ninth session,[4] Tajikistan had fully paid its arrears during the first half of 2009, thereby resulting in the full implementation of its plan in advance of the deadline dates set out in the seventh annual report. Georgia and the Niger had fully paid their arrears during the first half of 2007, thereby resulting in full implementation of their plans in advance of the deadline dates specified in the fifth annual report. The schedule last proposed by the Government of Moldova, as outlined in the fourth annual report, was fully implemented in 2005. A lump-sum payment by Iraq in 2005 also resulted in full implementation of its plan in advance of the deadline dates specified in the fourth annual report.

9. In its resolution 64/248, the General Assembly took note with appreciation of the considerable efforts undertaken by those Member States that fully implemented their multi-year payment plans. The Assembly also encouraged Member States in arrears with their assessed contributions to the United Nations to consider submitting multi-year payment plans, and in that context requested the Committee on Contributions to make recommendations with a view to mitigating large scale-to-scale increases for those Member States that had fulfilled their multi-year payment plans and to report thereon to the Assembly at its sixty-fifth session in the context of the report to be submitted on its review of the methodology of the scale of assessments.

10. In the announcement concerning the seventieth session of the Committee on Contributions, to be included in the *Journal of the United Nations* from 18 January to 21 May 2010, the Secretariat has invited Member States intending to submit a multi-year payment plan to contact the Secretary of the Committee for further information. In addition, in the note issued pursuant to paragraph 3 of General Assembly resolution 60/237 concerning the application of Article 19 of the Charter, attention was drawn to the provisions of resolution 57/4 B. Should any other payment plans be submitted, related information will be provided in an addendum to the present report or in the report of the Committee to be submitted to the Assembly at its sixty-fifth session.

11. For the purposes of the present report, payments are taken to include cash payments by the Member States concerned, together with the application of any credits to their accounts arising during the period concerned.

Liberia

12. In a letter dated 12 July 2005, the National Transitional Government of Liberia submitted a payment schedule by which it proposed to make a contribution in the amount of $50,000 every two months, beginning in October 2005. In a letter dated 19 May 2006, the Government of Liberia submitted a revised payment plan taking

[4] See *Official Records of the General Assembly, Sixty-fourth Session, Supplement No. 11*, (A/64/11), chap. IV, para. 78.

into account the current level of national revenues and priorities. The new plan called for quarterly payments starting in June 2006. The payment schedules are as follows:

(United States dollars)

	Schedule proposed in	
	2005	*2006*
2005	100 000	—
2006	[a]	150 000
2007	[a]	[b]

[a] Payment of $50,000 every two months beginning in October 2005.
[b] Payment proposals to be submitted annually.

13. In the letter transmitting the payment plan of 19 May 2006, the Chargé d'affaires a.i. of the Permanent Mission of Liberia to the United Nations indicated that the Permanent Mission would submit a revised payment plan for 2007 in January 2007. At the sixty-seventh session of the Committee, a representative of Liberia informed the Committee that a revised multi-year payment plan would be submitted beginning in July 2007. As at the date of the writing of the present report, a revised plan has not yet been submitted.

Sao Tome and Principe

14. Under cover of his letter of 17 May 2002 addressed to the President of the General Assembly, the Chargé d'affaires a.i. of Sao Tome and Principe to the United Nations submitted the calendar of future payments as follows:

(United States dollars)

	Payment
2002	27 237
2003	42 237
2004	59 237
2005	74 237
2006	89 237
2007	114 237
2008	134 237
2009	153 752

15. The plan submitted by Sao Tome and Principe had a duration of 8 years, covering the period from 2002 to 2009, and, if fully implemented, would involve payments totalling $694,411.

Other Member States

16. While no other Member States have so far submitted payment plans or schedules for the elimination of their arrears, the Committee on Contributions reported at its sixty-ninth session[5] on information received, in the context of requests for exemption under Article 19 of the Charter, regarding consideration being given to submission of multi-year payment plans. The Central African Republic indicated that it remained committed to the payment of its contributions to the United Nations and would make efforts to reduce its arrears, bearing in mind the multi-year payment plans provided for under paragraph 1 of General Assembly resolution 57/4 B. The Comoros indicated that it continued to be committed to paying its contributions to the United Nations and would keep the issue of multi-year payment plans under continuous consideration, and as the country's situation normalized, would establish such a plan as a matter of priority. At the date of writing of the present report, no payment plan has yet been submitted in these instances. In paragraph 16 of its resolution 64/248, the Assembly encouraged Member States in arrears with their assessed contributions to the United Nations to consider submitting multi-year payment plans.

III. Status of payment plans of Member States as at 31 December 2009

17. The status of implementation of the most recent payment plans submitted by Liberia and Sao Tome and Principe as at 31 December 2009 is summarized in the table on the status of payment plans. The plans proposed by Georgia, Iraq, Moldova, the Niger and Tajikistan have been excluded, as those Member States have made the payments envisaged in their payment plans and no longer fall under the provisions of Article 19 of the Charter.

Status of payment plans as at 31 December 2009

(United States dollars)

	Payment plan	*Assessments as at 31 December*	*Payments/ credits*	*Outstanding as at 31 December*
Liberia				
1999				1 147 524
2000		31 506	70 192	1 108 838
2001		16 166	630	1 124 374
2002		17 137	5 465	1 136 046
2003		17 124	1 636	1 151 534
2004		20 932	2 899	1 169 567
2005		24 264	202	1 193 629
2006	150 000	23 024	100 453	1 116 200
2007		32 074	100 660	1 047 614
2008		30 943	200 323	878 234

[5] Ibid., chap. V.

	Payment plan	*Assessments as at 31 December*	*Payments/ credits*	*Outstanding as at 31 December*
2009		35 400	150 726	762 908
Sao Tome and Principe				
1999				570 783
2000		13 543	48	584 278
2001		14 254	157	598 375
2002	27 237	15 723	29 146	584 952
2003	42 237	17 124	929	601 147
2004	59 237	20 932	1 559	620 520
2005	74 237	24 264	202	644 582
2006	89 237	23 024	453	667 153
2007	114 237	32 074	810	698 417
2008	134 237	30 943	473	728 887
2009	153 752	35 400	682	763 605

18. For Liberia, payments and credits during the period from 2006 to 2009 totalled $552,162. Liberia's outstanding assessed contributions at 31 December 2009 amounted to $762,908.

19. Payments by the Government of Sao Tome and Principe have fallen below the level foreseen for the period from 2002 to 2009 in its schedule of payments. Payments and credits totalling $34,254 were applied during that period, compared with the anticipated payments totalling $694,411 for those years set out in its schedule. The outstanding assessed contributions of Sao Tome and Principe at 31 December 2009 amounted to $763,605.

IV. Conclusions and recommendations

20. **The General Assembly may wish to take note of the present report and encourage Member States with significant arrears in contributions to consider submitting a multi-year payment plan.**